

Conservation Tax

In addition to the severance tax, the value of oil or gas is subject to the conservation tax. Conservation tax is levied and assessed in the same manner as the severance tax. The tax is imposed on the value at the well of all oil and gas produced, saved, and sold or transported from the premises in Nebraska. The producer of the oil or gas pays the tax unless the oil

or gas is sold within Nebraska. If the oil or gas is sold in Nebraska, then the first purchaser in Nebraska pays the tax.

The conservation tax rate is .40 percent. Revenue from the conservation tax is deposited in the Oil and Gas Conservation Fund.

Table 11 — Conservation Tax Receipts

MONTH	2004	2003	2002	2001
January	\$21,380	\$27,832	\$15,175	\$47,605
February	23,104	23,553	12,817	19,749
March	66,213	44,672	20,809	48,305
April	9,443	28,846	41,711	21,558
May	12,526	26,709	9,300	31,377
June	31,436	43,500	38,306	36,915
July	31,080	29,212	24,657	28,529
August	46,937	18,146	33,502	16,765
September	18,630	28,078	27,420	35,879
October	55,920	31,428	42,759	30,994
November	34,267	9,915	8,007	26,369
December	39,368	37,948	47,943	30,735
Total	\$390,303	\$349,839	\$322,406	\$374,781

Litter Fee

The fee applies to manufacturers, wholesalers and retailers with annual gross proceeds of at least \$100,000 from the sale of certain products. Retailers are required to pay the fee on sales of: (1) food for human consumption, beverages, soft drinks, carbonated water, liquor, wine, beer, and other malt beverages, unless sold by retailers solely for consumption indoors on the retailer's premises; (2) food for pet consumption; (3) cigarettes and other tobacco products; (4) household paper and

household paper products; (5) cleaning agents; and (6) kitchen supplies. Manufacturers and wholesalers are required to pay the fee on sales of all of the items listed above for retailers, as well as glass containers, metal containers, and plastic or fiber containers made of synthetic materials.

The fee is \$175 per \$1,000,000 (.000175) of gross sales of products subject to the fee. Revenue from the fee is deposited in the Nebraska Litter Reduction and Recycling Fund.

Table 12 — Litter Fee Receipts

MONTH	2004	2003	2002
January	\$82,049	\$1,052	\$1,962
February	8,414	5,781	27,389
March	833	8,195	8,141
April	1,571	1,365	5,581
May	363	2,855	898
June	9,831	150	8,848
July	775	14,678	10,982
August	5,949	555	438
September	704,856	807,606	942,719
October	631,506	402,854	375,518
November	24,860	82,845	18,178
December	20,330	5,772	13,107
Total	\$1,491,337	\$1,333,707	\$1,413,761